

The Honorable Lourdes A. Leon Guerrero
Maga'hågan Guahån
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“Financial Stability”

Håfa Adai!

I have spent most of my adult life in three professions: as a nurse, I cared for the physical health and well being of my patients; as a lawmaker, I authored bills that became laws to help improve the lives and well being of our people; as a banker, it was my job to help clients on the road to financial stability. There are many things that separate these three professions, but I have learned that at the core of each is a shared goal—a shared responsibility. That responsibility becomes extremely important when dealing with unstable situations. The first thing we must do is to stabilize the situation. Then, we need to find the root cause and address it. Finally, we must develop a long-term plan and set goals to prevent but also prepare for any potential instability in the future. Since becoming Governor, I understand now more than ever that my experiences are helping me restore our government and prepare us for a compassionate, fair, safe, and prosperous future.

Just before taking office in January, the Lieutenant Governor and I received a transition briefing on what we could expect of the government that we would soon lead. It was clear at that time, and even clearer after taking our oaths of office, that the responsibility of changing our island for the better required immediate action.

I learned from my experiences that to increase your chances of success, you need a proper plan. For our government, we needed to establish stability, make an assessment of what was setting us back and address it, and finally, have a long-term plan of realistic and achievable goals.

This is what Josh and I are working on. Among the many issues that need attention is strengthening our government’s finances. It’s a difficult task but we put together a competent and experienced Fiscal Discipline team to get the work done. And we will continue to work hard so we can reduce our deficit, resolve our debt, fix our hospital and our schools, build more parks, upgrade our technology, hire more public safety officers, build affordable homes, and pay our people what they are worth.

The Department of Revenue and Taxation is key to our financial strength. Under the leadership of Director Dafne Shimizu, we are not just increasing collections, we are also aggressively pursuing delinquencies. Rev and Tax is working with the limited resources it has to be able to process tax refunds as quickly as possible. It may not be as fast as I would like, but we are processing and paying tax refunds at a similar pace to previous years—and we are doing it with less resources.

One of the challenges we faced early on was the amount of prior year returns that had to be processed first. The volume of prior year returns to process was unusually high and, by law, we are required to square away prior year returns before 2018 refunds can begin. The good news is, we have caught up and are now releasing 2018 refunds as quickly as possible.

At our Guam Police Department, Chief Ignacio has restructured some areas of GPD's operations. The result—more patrol officers on our streets and a reduction in overtime costs. This reform is also happening at the Department of Corrections and at Guam Customs and Quarantine, allowing us to open up more positions to hire more officers. We are bringing in more recruits now than ever before and we are preparing to hire even more. In fact, we encourage residents to apply. If you or someone you know has a law enforcement background or is interested in serving our community through public safety, please, encourage them to visit the Department of Administration and fill out an application.

Through responsible cash management, we were also able to fulfill a promise to return \$3.8 million dollars into the E-911 account. These funds were transferred out and used inappropriately several years ago, preventing the Guam Fire Department from upgrading its obsolete 911 call system. With the money returned, GFD can now procure a new, modern, state-of-the-art 911 call center.

The path to recovery is never easy and I know that despite our painstaking efforts to stabilize cash flow and increase collections, the reality is that a natural disaster or some other threat can set us back when we least expect it—just like the stock market can crash after a national crisis or a patient in trouble can create an emergency situation.

This is why we must plan for the long term. We are not about making promises we cannot keep or politicizing issues that should be addressed with actions and not words. We are about taking these steps to stabilize, find the root cause, and plan for the long-term—so that we can save for emergencies or a rainy day instead of waiting for a crisis to happen and borrowing for the unexpected. We want to be able to invest in our people, especially our children. Because in the future, they will reap the benefits of a responsible government and continue the work to bring prosperity and safety to our island.

Si Yu'os Ma'ase and God Bless Guam.